

**MEETING**

**Agenda Item:**

**Subject:**

**Workforce Report**

**Date:**

**Thursday 25<sup>th</sup> September 2014**

**Author:**

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**Lead Director:**

**Karen Fisher, Executive Director of Human Resources**

**Executive Summary**

The Workforce Report for August 2014 demonstrates positive improvements in sickness absence rates and appraisal completion. It also identifies that there has been a step change in employee relations activity both internally (increased number of disciplinary cases) and externally in relation to ballots currently taking place for industrial action.

We are able to report that the establishment review has been completed following on from agreement of budgets. We can therefore now provide assurance that the establishments and vacancies reported reflect an accurate position.

Whilst **staff in post** numbers decreased in August to 3622.60 wte's a decrease of 13.58 wte's, this was an expected decrease as the Junior Doctor changeover has now been completed. Since 1 April 2014 staff in post numbers have increased by 31.7 wte. Registered Nurse staff in post have decreased slightly by 8.9 wte since 1 April 2014 which is disappointing and signals that further focus is required. The delay of PIN numbers being allocated to both newly qualified and overseas nurses is significantly impacting on our ability to progress appointed candidates, delays are currently in the region of up to 6 months, this concern has been escalated to NHS Employers and the NMC directly. We have seen an increase in the number of employed doctors since 1 April 2014 by 8.69 wte.

The Junior Doctor changeover also impacted upon the **vacancy rate** which increased to **6.83%** in August compared with 6.33% in July 2014. The nursing workforce holds the highest number of vacancies both in numerical and percentage terms. The unregistered nurse vacancies have resulted from management action in order to accommodate future potential changes in skill mix. The Registered Nurse vacancies remain an area of concern, a number of initiatives continue to be progressed in order to recruit additional nursing numbers. A recruitment campaign in Ireland will take place in October 2014 to recruit Newly Qualified Nurses who will be registered in February 2015. Other international recruitment options are being explored for Registered Nurses with one of the options being recruiting from Greece. The Trust is an active partner of the East Midlands Medical Recruitment Collaborative and anticipated that medical appointments will be made in future months from this approach.

**Pay expenditure** remains a considerable challenge and is significantly above plan. Pay was overspent by £938k in August 2014, with the cumulative overspend being £2.62 million (excluding reserves and facilities). **Variable pay** continues to be the area of challenge for the Trust with £2.27m being spent in August 2014 and £10.4 million year to date. The most significant variable pay spend is across the Medical and Nursing staff groups. In month medical variable pay has reduced by £107k and non clinical pay has increased in month by £87k, predominantly due to the number of project managers being utilised to drive key strategic projects forward.

**Sickness absence** has reduced for two consecutive months since the launch of the new Sickness Absence Policy and equates to 3.56% for the month and continues to track below levels each for last year. An analysis of the total number of days lost in the two months prior to and following the launch of the new policy demonstrates a positive reduction by 12%. As anticipated short term absence has reduced by 1% since April and divisions are reporting that the policy is having a positive impact in reducing absence levels. Return to work interviews are being audited across the Trust and the most recent audit undertaken during August based on July data demonstrates that 80% of return to work interviews are being completed in accordance with the policy. HR Business Partners are working with non compliant areas to ensure policy awareness and action is improved.

**Appraisal compliance** for the Trust stood at 84% in August 2014 an increase of 1%, with Corporate departments improving compliance by 14% in the last two months. The 98% appraisal target continues to be driven within the divisions and actions are being taken to address areas where appraisals remain non compliant.

Many NHS Trade Unions have balloted for industrial action/action short of industrial action in response to the 2014/2015 pay arrangements. The ballots will cover 1,902 staff across UNISON, SOR, UNITE, GMB and RCM unions. Should a yes response be returned to the ballot, it is anticipated that the programme of action will commence with a four hour strike on Monday, 13 October, and action short of strike which includes 'taking your break' and 'working your contracted hours' during the remainder of the week. It is likely that further action will take place during November and December and may well continue until the election. HR have established a weekly Contingency Planning meeting in order that plans are developed to mitigate the impact of the action and the HR team are working with Staff Side colleagues to agree essential cover relating to emergency, urgent and cancer care. Protocols for attendance and picketing will also be agreed.

**Recommendation for the Board of Directors:**

- Note the workforce information presented
- Acknowledge the actions being taken to improve performance

Relevant Strategic Objectives (please mark in bold)	
<b>Achieve the best patient experience</b>	<b>Achieve financial sustainability</b>
<b>Improve patient safety and provide high quality care</b>	Build successful relationships with external organisations and regulators
<b>Attract, develop and motivate effective teams</b>	

<b>Links to the BAF &amp; Corporate Risk Register</b>	
<b>Details of additional risks associated with this paper (may include CQC Essential Standards, NHSLA, NHS Constitution)</b>	All HR policies and procedures are produced in line with CQC standards. Where targets aren't met, this can provide a risk to quality of care and financial position.
<b>Links to NHS Constitution</b>	Staff – your rights and NHS pledges to you Staff – your responsibilities
<b>Financial Implications/Impact</b>	Reporting of staff numbers which have an impact on pay spend.
<b>Legal Implications/Impact</b>	Non compliance with mandatory training targets can impact upon litigation cases
<b>Partnership working &amp; Public Engagement Implications/Impact</b>	N/A
<b>Committees/groups where this item has been presented</b>	N/A
<b>Monitoring and Review</b>	Executive Director of HR monitors performance and actions on a monthly basis. Trust workforce performance is also tracked via a number of performance meetings, specifically the monthly Confirm & Challenge which are chaired by the Deputy HR Director.
<b>Is a QIA required/been completed?</b>	N/A